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OFFICE OF THE ASSISTANT SECRETARY OF DEFENSE
WASHINGTON, D.C. 20301OFFICE OF THE
SECRETARY OF DEFENSEINTERNATIONAL
SECURITY POLICYJuly 27, 1981
In reply refer to:
I-10032/81

MEMORANDUM FOR THE RECORD

SUBJECT: Meeting of Deputy Secretary of Defense Carlucci with
Sir Antony Acland (U)

(U) Secretary Carlucci met with Sir Antony Acland, Deputy Under Secretary of State and Chairman of the Joint Intelligence Committee, UK Foreign and Commonwealth Office, for about thirty minutes on 20 July 1981. The following topics were discussed:

1. (C) East-West Balance. Secretary Carlucci expressed concern at the rate at which the US is falling behind the USSR. He hoped that the Allies will support us as we move forward. Sir Antony said the UK rejoices in US rearmament. He thought it important to get out the facts on the Soviet buildup and influence public opinion. Secretary Carlucci noted we have an unclassified summary of the buildup that can be used for that purpose. He referred to the alarming rate of technology transfer to the USSR and said the US will take a hard line on this issue. DoD is opposed to the German-Soviet gas pipeline arrangement and supports deferment while something is worked out.
2. (C) US Strategic Modernization. Secretary Carlucci noted that decisions would have to be made in the next couple of weeks on modernizing the bomber and ICBM legs of our strategic triad, as well as on the D-5 missile. The first two will provide heavy criticism no matter which way the decision goes. The plan is to put all the decisions together in a strategic forces modernization plan. The President will decide when to announce the plan, but his best guess is in August. These decisions could have a financial impact on other force goals.
3. (C) US Industrial Base. Secretary Carlucci referred to the dwindling US defense industrial base and diminishing military R&D. DoD is not steady in putting money into the private sector; it goes off and on again too much. DoD R&D is no longer driving civilian R&D. DoD is not comfortable with the NATO idea of a short war and is moving away from this to the concept of a longer conventional war and even a theater nuclear war of some direction. Hence, the importance of the industrial base.

OSD review completed


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4. (C) RDF. Secretary Carlucci said that plans are underway for the RDF but are a long way from achievement. We are now dedicating, not just earmarking, forces for the RDF, and will have a separate, unified command within the next eighteen months to two years. He found the nations of north Africa he recently visited to be rather receptive to US use of their facilities, provided it is done quietly and on a contingency basis. If we show determination, we may find more receptivity than we thought. But we cannot force the pace. Sir Antony noticed the nervousness of the Gulf states and their disposition to regard Israel, not the USSR, as the main threat. Secretary Carlucci said we must resolve the Israeli problem; if it continues it will undermine our relations with the entire Arab world. Recent Israeli actions are not in the long run interest of Israel.

5. (C) UK and NATO Defense Reviews. Sir Antony said that the feeling was that John Nott had got the Defense Review about right. He had to take his decisions quickly because of rising costs. He felt that each nation undertaking its own separate defense review was not a satisfactory way to proceed. At some stage, NATO should be looked at by a group of outside experts to see if it is performing its tasks in the most cost-effective way possible. The Warsaw Pact seems to get better value for money than NATO. The UK idea of a special NATO review, however, had not received much support.

6. (C) AV-8B. Secretary Carlucci said that DoD action on AV-8B had not moved as fast as he had hoped. He would be calling Lord Trenchard tomorrow and, together, they would work it out.


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the United Kingdom

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